

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Re: Docket No. 747

**Objection Deadline: May 16, 2025 at 4:00
p.m. (ET)**

**SUMMARY OF FIRST COMBINED MONTHLY FEE APPLICATION OF
DIRECT FEE REVIEW LLC FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM JANUARY 15, 2025 THROUGH MARCH 31, 2025**

Name of Applicant:

Direct Fee Review LLC

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Authorized to Provide Professional Services
to:

Fee Examiner

Date of Retention:

Effective as of January 15, 2025

Period for which compensation and
reimbursement is sought:

January 15, 2025 through March 31, 2025

Amount of Compensation sought as

actual, reasonable and necessary:

\$23,880.00

80% of compensation sought as actual,
reasonable and necessary:

\$19,104.00

Amount of Expense Reimbursement sought
as actual, reasonable and necessary:

\$0.00

This application includes 0.0 hours and \$0.00 in fees incurred in connection with the preparation of fee applications.

Prior Applications:

Date Filed / Docket No	Fee Period	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses	Order Entered
NONE		\$0.00	\$0.00	\$0.00	\$0.00	

Compensation by individual:

Name	Position	Hourly Billing Rate	Total Hours Billed	Total Compensation
WJ Dryer (WJD)	Auditor	\$ 300.00	37.0	\$ 11,100.00
DF Oliver (DFO)	Auditor	\$ 300.00	42.6	\$ 12,780.00
Total			79.6	\$ 23,880.00

Cumulative Compensation Summary by Project Category:

Project Category	Total Hours for the Period 1/15/25 through 3/31/25	Total Hours from the Petition Date	Total Fees for the Period 1/15/25 through 3/31/25	Total Fees from the Petition Date
Auditing	79.6	79.6	\$ 23,880.00	\$ 23,880.00
Fee Application	0.0	0.0	\$ 0.00	\$ 0.00
Total	79.6	79.6	\$ 23,880.00	\$ 23,880.00

Cumulative Expense Summary:

Expense Category	Total Expense for the Period 1/15/25 through 3/31/25	Total Expense from the Petition Date
Court call	\$ 0.00	\$ 0.00
Delivery	\$ 0.00	\$ 0.00
Postage	\$ 0.00	\$ 0.00
PACER	\$ 0.00	\$ 0.00
Supplies	\$ 0.00	\$ 0.00
Mileage	\$ 0.00	\$ 0.00
Tolls	\$ 0.00	\$ 0.00
Parking	\$ 0.00	\$ 0.00
Total	\$ 0.00	\$ 0.00

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**FIRST COMBINED MONTHLY FEE APPLICATION OF DIRECT FEE REVIEW
LLC FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR THE PERIOD FROM JANUARY 15, 2025
THROUGH MARCH 31, 2025**

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, Direct Fee Review LLC (hereinafter "DFR") hereby moves this the United States Bankruptcy Court for the District of Delaware (the "Court") for reasonable compensation for professional services rendered as Fee Examiner² in the above-captioned jointly administered cases in the amount of \$23,880.00 together with reimbursement for actual and necessary expenses incurred in the amount of \$0.00 for the period commencing January 15, 2025 through and including March 31, 2025 (the "Fee Period"). In support of this application (the "Application"), DFR respectfully represents the following:

1. DFR was employed under a general retainer to act as Fee Examiner to examine the professional fees and expenses incurred in connection with these chapter 11 cases, pursuant to the *Order Appointing Fee Examiner and Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [Docket No. 747], entered by this Court on January 15, 2025 (the "Order"). The Order authorized DFR to be compensated for fees and expenses subject to application and review pursuant to section 330 of the Bankruptcy Code and to be paid from the Debtors' estates as an administrative expense under section 503(b)(2) of the Bankruptcy Code.
2. All services for which compensation is requested by DFR were performed for or on behalf of the bankruptcy estate and not on behalf of any committee, creditor or other person.
3. There is no agreement or understanding between DFR and any other person other than members of DFR for sharing of compensation to be received for services in these cases.

² Capitalized terms used but not otherwise defined in this Application have the meanings given to such terms in the Order (as defined herein).

SUMMARY OF SERVICES RENDERED

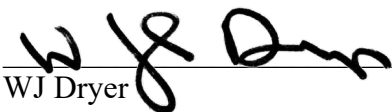
4. Attached hereto as **Exhibit A** are the DFR billing statements for the Fee Period showing the amount of \$23,880.00 due for fees and a detailed statement of expenses paid during the Fee Period showing the amount of \$0.00 for reimbursement of expenses. These statements contain detailed entries describing the time expended by each member of DFR.
5. Members of DFR have expended a total of 79.6 hours in connection with this matter during the Fee Period. The services were performed by WJ Dryer (WJD) and DF Oliver (DFO) and are identified as such in the billing statement attached hereto as **Exhibit A**.

DISBURSEMENTS

6. During this Fee Period, DFR has incurred out-of-pocket disbursements during the Fee Period in the amount of \$0.00. This disbursement sum is broken down into categories of charges including court call, photocopies, supplies and document mailing expenses. A complete review by category of the expenses incurred for the Fee Period may be found in the attachment hereto as **Exhibit A**.
7. DFR submits that the time entries included in the attached **Exhibit A** are in compliance with the requirements of Local rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2025. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by DFR is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

WHEREFORE, DFR respectfully requests an award of compensation for professional services rendered as Fee Examiner during the Fee Period in the amount of \$23,880.00, and the sum of \$0.00 for reimbursement of actual necessary costs and expenses incurred during the period and for such other and further relief as this Court may deem just and proper.

DIRECT FEE REVIEW LLC
FEE EXAMINER

By: 
WJ Dryer

24A Trolley Square, #1225
Wilmington, DE 19806
Telephone: 302.287.0955
dfr.wjd@gmail.com

VERIFICATION

DF Oliver, after being duly sworn according to law, deposes and says:

1. I am a principal in the applicant Firm, Direct Fee Review LLC.
2. I have personally performed many of the services rendered by Direct Fee Review LLC, as Fee Examiner in these cases and am thoroughly familiar with all other work performed by the fee auditors in the firm.
3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.


DF Oliver

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California
County of Sonoma

SUBSCRIBED AND SWORN TO before me, a Notary Public for the State and County aforesaid, on this ____ day of _____, 2025.

DF Oliver proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public

SEE ATTACHED
CALIFORNIA JURAT
SfWN.P.
04/14/2025

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Sonoma)

Subscribed and sworn to (or affirmed) before me on this 14th day of APRIL 2025,

by DF OLIVER

proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.

